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IPO Note
7th September, 2026

Veegaland Developers Ltd

Subscribe

Rating: Subscribe

Issue Offer

Total issue size:
Fresh – INR 2,100 Mn (15.00 Mn shares)
OFS – Nil

Issue Summary`	
Price Band (INR)	130-140
Face Value (INR)	10
Implied Market Cap (INR Mn)	6,825
Market Lot	107
Issue Opens on	10th Sep, 26
Issue Close on	15th Sep, 26
No. of share pre-issue	3,37,50,000
No. of share post issue	4,87,50,000
Listing	NSE, BSE

Issue Break-up (% of Total Issue)	
QIB Portion	50
Retail Portion	35
NII Portion	15

Book Running Lead Managers
Cumulative Capital Private Limited

Registrar
MUFG Intime India Private Limited

Shareholding Pattern		
	Pre-Issue	Post-Issue
Promoters	92.00%	63.69%
Public & Others	8.00%	36.31%

Objects of the Issue	
Funding a part of the expense to be incurred in the development of our Ongoing Projects	1,198.25 Mn
Funding unidentified acquisition of land and general corporate purposes	

Veegaland Developers Ltd. is a Kerala-focused residential real estate developer engaged in the planning, development and sale of multi-storied apartment projects under the 'Veegaland Homes' brand. Part of the V-Guard group founded by its Promoter, it operates across mid-premium, premium, ultra-premium, luxe-series and ultra-luxury segments in Kochi, Thiruvananthapuram, Kozhikode and Thrissur. As of June 30, 2026, its portfolio comprised 25 projects 10 completed, 12 ongoing and 3 upcoming aggregating 34.24 lakh sq. ft. of saleable area across 1,898 units. ICRA ranks it Kerala's fastest-selling developer.

Investment Rationale:

Full sell-through on delivered projects: All 692 units across the 10 Completed Projects (11.05 lakh sq. ft.) have been sold, and 63.62% of ongoing saleable area was sold as of June 30, 2026. Green Fort (100%), Green Heights (99.29%) and Maybell (98.77%) show that much of the selling happens during construction. Delivery has been at or ahead of RERA timelines.

Pre-sales momentum provides revenue visibility: Pre-sales grew at a 40.1% CAGR to INR4,058Mn in FY26 and rose 64.8% YoY in Q1FY27. The contracted order book of INR9,094Mn as of June 30, 2026 is about 3.6x FY26 revenue, converting as construction progresses.

Premiumisation is lifting realisations: Average realisation rose from INR6,935/sq. ft. in FY24 to INR8,022/sq. ft. in FY26 as the mix shifted towards ultra-premium and the new luxe-series, together 45.3% of FY26 revenue versus 6.3% in FY24. ICRA sees Kerala's boutique flats market growing from INR34.2Bn in FY26 to INR75.9Bn by FY32.

Recapitalised balance sheet: A INR1,750Mn promoter rights issue in FY26, used to repay promoter loans, cut debt/equity from 2.70x to 0.32x and lifted net worth to INR2,669Mn. Land sourcing blends outright purchase with selective JDAs, and reserves of 6.51 acres back the pipeline.

Healthy financial performance: Revenue from operations grew 30.5% YoY to INR2,510Mn in FY26, a 50.5% CAGR over FY24-26. EBITDA rose 26.3% to INR 426Mn with margins at 16.78%, while PAT increased 30.3% to INR 266Mn and PAT margin improved from 6.87% in FY24 to 10.47% in FY26.

Experienced promoter and group pedigree: Led by Kochouseph Thomas Chittilappilly, founder of the listed V-Guard Industries and Wonderla Holidays, with over 49 years of experience. Execution is supported by an integrated development model and 127 employees.

Valuation & Outlook: At the upper band of INR140, the issue implies a post-issue market capitalisation of INR6,825Mn and a P/E of 25.6x on FY26 post-issue diluted EPS of INR 5.46, against a peer average of 48.6x (Puravankara 84.2x, Shriram Properties 12.9x), about 1.4x post-issue book value and 12.6x EV/EBITDA, with the full INR 2,100Mn accruing to the company. Against this, the business is wholly concentrated in Kerala, is working-capital intensive, and RoNW has moderated to 16.02% on the enlarged equity base. **We recommend a "Subscribe" rating for investors with a long-term horizon.**

Particulars (INR Mn)	FY24	FY25	FY26
Revenue	1107.68	1923.75	2509.76
Growth (% YoY)		*73.68%*	*30.46%*
EBITDA	167.22	337.74	426.42
Margins	*14.59%*	*17.21%*	*16.78%*
PAT	78.69	204.26	266.15
Margins	*6.87%*	*10.41%*	*10.47%*

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Stock Rating Scale	Absolute Return
BUY	>20%
ACCUMULATE	12% to 20%
HOLD	5% to 12%
NEUTRAL	-5% to 5%
REDUCE	-5% to -12%
SELL	<-12%

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